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FOREIGN CROPS and MARKETS

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS

WASHINGTON, D. C.

Vol. 47

July 19, 1943

No. 3

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LATE FOREIGN DEVELOPMENTS

CANADA: Hot weather induced rapid crop growth during the second week of July. Deterioration followed in parts of the Prairie Provinces where the moisture supply was deficient. Except in Manitoba where good general rains were received and in the central and northern areas of Alberta, crop prospects were lowered during the week. Temperatures of up to 100 degrees in the shade were reported at some points. Wheat is heading out on short straw in the dry areas, but elsewhere the stand of crops is good. Spring grains are showing excellent growth in British Columbia and winter wheat is beginning to ripen. Conditions in Eastern Canada have shown some improvement. Despite improvement in Ontario, crops are still very late. Beneficial effects of the warmer weather in Quebec during the past 2 weeks have not entirely overcome earlier handicaps, and it is feared that yields of all crops will be reduced.

EUROPE: Crop reports are fairly satisfactory for most countries of continental Europe. Harvesting is becoming more general.

BRAZIL: Trade reports indicate that bread is to be rationed in Rio de Janeiro and Sao Paulo as a result of transportation difficulties. To extend supplies of wheat imported from Argentina, mandioca flour will be mixed with wheat flour at the rate of 20 per cent.

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CORRECTION: On page 652 of the June 21 issue, the article on Denmark should read "80 per cent of 1941" instead of 20 per cent.

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G R A I N S

CANADA'S WHEAT CONDITION ABOVE AVERAGE;
OTHER GRAINS LESS FAVORABLE . . .

Grain crops in Canada on June 30 reflected the effects of the cool, wet spring. The condition for all Canada expressed in terms of long-time average yield per acre was, for all grain crops, considerably below the very favorable outlook of last year. The condition of wheat was well above average but other crops fell below average. Mixed grains and corn compared unfavorably with their condition on that date in the past 4 years.

Condition figures this early in the season are, of course, only a general indication of the outlook and are subject to considerable change, dependent on weather conditions during July. This was illustrated last year, when the June 30 condition of oats and barley was only average and the final outcome of these crops showed an all-time record yield, as a result of unusually favorable weather conditions.

Interpretation of the condition data as they bear on forecasts of production must take into account acreage changes. Estimates of grain acreage planted will not be available until later this month. It will be recalled that farmers' intentions to plant followed the 1943 acreage goals fairly closely and would thus indicate a considerable shift from wheat and rye to feed grains. Unfavorable weather conditions, however, delayed operations in many areas and forced changes in seeding plans.

The present outlook varies considerably from Province to Province. In general, the condition of all grains in Eastern Canada is below that of last year, with the most marked decline in Ontario and Quebec. A late spring, with unfavorable weather during the planting season, delayed seeding. Reports state that due to delayed activities the planned acreage of oats and barley could not be achieved. Expansion of the buckwheat acreage as a substitute for other feed grains was said to have been the result in Ontario and Quebec.

The condition of wheat differs greatly throughout the Prairie Provinces, being most favorable in Manitoba and least promising in Alberta. The condition figure in Manitoba, as placed at 144 percent, is more favorable than on that date of 1942, when it was reported at 129 percent of the long-time average yield. The good prospects this year are attributed to above-average rainfall during May and June. In Saskatchewan, the current crop is placed at 123 percent of average, compared with 137 percent in 1942. The poor prospects in Alberta (90 percent, as compared with 139 percent last year) are the result of the persistent drought in that Province, which is most serious in the southeastern section of Alberta.

Condition of feed grains in the Prairie Provinces is much less favorable than that of wheat. The best outlook for feeds is reported in Saskatchewan. Feed grains have been less affected by the drought in Alberta than has wheat, and the condition of the principal feed crops there is only slightly below that of Manitoba.

Higher temperatures in early July supplied needed warmth and forced growth of the crops. The heat was said to have depleted moisture reserves, especially in Saskatchewan. The drought in southeastern Alberta was intensified, and good rains, as well as continued heat, were needed in these areas.

CANADA: Condition of grain crops, June 30, 1943, with comparisons
(Long-time average yield per acre = 100)

Grain	June 30								
	1939		1940		1941				
	Percent	Percent	Percent	Percent	Percent	Percent			
Fall wheat	98	:	99	:	86	:	103	:	82
Spring wheat	102	:	96	:	80	:	136	:	115
Total wheat	102	:	96	:	80	:	135	:	114
Oats	98	:	92	:	87	:	100	:	88
Barley	96	:	92	:	89	:	100	:	89
Fall rye	92	:	86	:	83	:	93	:	84
Spring rye	100	:	92	:	86	:	98	:	91
Total rye	94	:	88	:	84	:	95	:	86
Buckwheat	95	:	93	:	85	:	97	:	90
Mixed grains	95	:	96	:	84	:	97	:	76
Corn for grain	95	:	83	:	89	:	88	:	76
	:	:	:	:	:	:	:	:	:

From reports of the Dominion Bureau of Statistics, Ottawa.

IRELAND'S CROP PROSPECTS FAVORABLE

Weather conditions in Ireland have been generally favorable for the development of grains. Autumn-sown wheat came through the winter well and below-average damage was reported. Favorable weather conditions permitted sowing of spring grains earlier than usual, and extensive sowings of wheat were made in March. The total wheat acreage is believed to be larger than in 1942, when it was placed at the record level of 575,000 acres. Supplies of good quality oats for seeding are said to have been limited, but trade reports indicate an increased acreage was seeded. Barley, though not of major importance in Ireland, is becoming more generally recognized as a feed crop, and the 1943 area is expected to be larger than in 1942.

DENMARK'S CROP CONDITION AVERAGE;

PROSPECTS BETTER THAN LAST YEAR . . .

The condition of grain crops in Denmark on July 1 was reported to be around normal, and bread-grain condition is considerably better than at this time last year, according to a cable received in the Office of Foreign Agricultural Relations. Based on normal equaling 100 percent, condition of the various grains was as follows with July 1, 1942, in parentheses: Wheat 99 (75); rye 97 (87); barley 97 (98); oats 96 (95); mixed grains 97 (96). In general the 1942-43 winter was mild, and spring work was possible much earlier than last year.

Acreage data for 1943 are not available except for the acreage seeded to winter wheat. The lateness of the 1942 harvest, shortage of labor, and unfavorable weather at sowing time delayed fall seedings and probably reduced them somewhat. Winter wheat is placed at 110,000 acres. Though much larger than the wheat acreage harvested in 1942, when the crop was a virtual failure, the acreage is still considerably below average.

To encourage wheat seedings the Government offered a subsidy for sowing spring wheat. Following the severe winter of 1941-42 a system of state guaranties against loss from winter-kill was instituted, and about 80 percent of the current acreage was insured under the plan. Many farmers are reported to have shifted from wheat to rye, however, because of the heavy winter damage in recent years.

The loss in bread-grain acreage following the severe winter of 1941-42, when loss of wheat acreage was estimated at 92 percent and rye at 16 percent, was more than compensated for by increased seedings of barley and mixed grains in the spring. The outturn of all feed grains was good. See Foreign Crops and Markets, January 11, 1943.

As a result of the failure of the wheat crop, the sale of wheat flour or bread was prohibited from September 1. With the exception of small allowances of wheat flour reserved for invalids, and of semolina for children under 2 years of age, a Christmas allowance of 800 grams of wheat flour to all consumers and a subsequent allowance in February, were the only unmixed wheat products made available after that date.

After failure of the wheat crop, rye became increasingly important. Though the 1942 harvest was 32 percent larger than the 1941 crop, it was not sufficient to meet the demand, and much of it was of poor quality. Sifted rye flour was substituted for wheat, and the small remaining supplies of wheat flour in the country were incorporated with the sifted rye flour to the extent of 6 percent of the total. Barley flour was also used extensively in the bread, varying in amount from 14-per cent admixture with sifted rye flour, to bread made exclusively of barley. The monthly ration of wheat bread had shrunk from the original allotment of 2,400

grams per normal consumer to 1,890 grams in August 1942. When sifted rye flour replaced wheat flour, however, the monthly allotment was increased to 2,500 grams for the average consumer.

The disposition of the 3,750,000 metric tons of grain harvested in 1942 was regulated by law, whereby all wheat and rye and certain quantities of barley and oats were to be delivered by the producers to authorized grain merchants and mills. The required deliveries amounted to about 20 percent of the total grain crops. All grain in excess of the required deliveries could be disposed of freely through authorized channels. The planned disposition of the 1942 crop included the use of about 17 percent of the total production for food, around 8 percent for seed, and the remaining 75 percent available for feed.

The plans for distribution of the current grain crop are not as definite as those for the 1942 supply, and the Minister of Agriculture has received authority to make whatever changes may be necessary. Under present provisions, if farmers are unable to deliver their quotas they must surrender all grain except certain fixed quantities that are necessary for seed and feed.

Despite considerable effort on the part of farmers to have prices increased, prices to producers of grain products in 1942 were unchanged from the 1941 level. Total farm income in 1942, however, was estimated to be 150 million crowns (about 29 million dollars) above the 1941 income, due to the increased grain production, compared with 1941.

The harvest of the 1942 crop was greatly handicapped by a shortage of good binder twine, of which 6,000 tons are needed annually. Much of that available was made of paper and did not stand up well in the wet weather at harvest time. Some fiber twine was furnished by Germany who has, according to reports, promised 2,000 tons for the 1943 harvest. In the meanwhile, much work has been done to improve the quality of the paper twine.

URUGUAY'S CORN PRODUCTION GREATLY REDUCED . . .

The corn crop harvested in Uruguay during April - May 1943 was 1,432,000 bushels, according to the latest estimate received. The current estimate is slightly above the previous forecast though still much below the 1942 production, which has been revised to 4,630,000 bushels. At the level indicated the 1943 crop would not fill domestic requirements, placed at around 5.5 million bushels, and the need for imports is expected to continue.



L I V E S T O C K A N D A N I M A L P R O D U C T S**SWEDISH MEAT PRODUCTION SMALLER IN 1942 . . .**

Livestock slaughtering in Sweden was on a greatly reduced scale in 1942 compared with 1940 and 1941, when slaughterings were very large because of crop failures in those years. Favorable grazing conditions and good crops in 1942 encouraged farmers to keep their cattle and to rebuild herds. In 1942 total meat production, including meat from animals slaughtered by households, was estimated at 381 million pounds compared with the official census of 528 million pounds in 1937.

SWEDEN: Livestock slaughter and meat production in 1942

Kind of animal	Slaughter			Total
	Commercial	Household		
: Number of: Meat animals produced	: Number of: Meat animals produced	: Number of: Meat animals produced	: Number of: Meat animals produced	: Number of: Meat animals produced
: : 1,000 : : 1,000 : : 1,000 : : 1,000				
: : Number : pounds	: Number : pounds	: Number : pounds	: Number : pounds	: Number : pounds
Cattle: 253,862: 102,778:	823: 232: 254,685:	1,115: 239,369:	1,115: 239,369:	103,010: 26,091
Fat calves: 228,217: 24,976:	11,152: 1,115:	239,369: 24,829		
Lean calves ...: 462,396: 20,547:	113,602: 4,282:	575,998: 24,829		
Total cattle : 944,475: 148,830:	125,577: 5,629:	1,070,052: 153,930		
Hogs: 634,577: 101,147:	537,691: 106,685:	1,172,268: 207,832		
Sheep and lambs: 101,185: 3,605:	20,000: 661:	121,185: 4,266		
Horses: 23,903: 14,649:	-: -:	23,903: 14,649		
Total: 1,704,140: 267,702:	683,268: 112,975:	2,387,408: 380,677		

Compiled from official sources.

Commercial meat production in 1942 totaled only 268 million pounds, including horse meat, a reduction of 48 percent compared with 1941. Slaughter for commercial purposes furnished about 70 percent of total production.

SWEDEN: Percentage which commercial and household slaughter represented of total, 1942

Kind of animal	Commercial slaughter		Household slaughter	
	Percent		Percent	
Cattle: :	99.8	:	0.2	
Large calves: :	95.7	:	4.3	
Small calves: :	82.8	:	17.2	
Hogs: :	48.7	:	51.3	
Sheep and lambs: :	84.5	:	15.5	
Total meat: :	70.3	:	29.7	

Compiled from official sources.

The greatest reduction in commercial meat production in 1942 was in beef and veal, which was 50 percent below 1941. Pork production decreased 45 percent and horse meat 49 percent, whereas mutton and lamb decreased only 10 percent.

**SWEDEN: Commercial and total production of meat 1937, 1938,
1941, and 1942**

Kind of meat	1937	1938	1941	1942
	: Million pounds	: Million pounds	: Million pounds	: Million pounds
<u>Beef and veal</u> -				
Commercial production	a/	292.3	294.3	148.3
Total: b/	224.8	a/	a/	153.9
<u>Pork</u> -				
Commercial production	a/	267.2	184.9	101.1
Total: b/	283.9	a/	a/	207.8
<u>Mutton and lamb</u> -				
Commercial production	a/	6.0	4.0	3.6
Total: b/	6.2	a/	a/	4.3
<u>Horsemeat</u> -				
Commercial production	a/	26.0	28.9	14.7
Total: b/	12.7	a/	a/	14.7
<u>All meat</u> -				
Commercial production	a/	591.5	512.1	267.7
Total: b/	527.6	a/	a/	380.7

Compiled from official sources.

a/ Not available.

b/ Official census 1937-38 (July - June).

The average slaughter weight of adult cattle, horses, and sheep, including lambs, was heavier in 1942, whereas that of hogs decreased to 160 pounds compared with 167 pounds in 1941. A further reduction in pork production is forecast for 1943, based on the monthly number of sows bred in 1942.

There was a considerable shortage of meat in 1942, and the ration was reduced materially as compared with 1941. The weekly average ration for the year was 8.9 ounces against 15.5 ounces in 1941. The ration reached the lowest weekly level in July, when it was only 5.6 ounces. Stocks of canned meat and pork available on January 1, 1942, made it possible to make up for the shortage during the months when slaughterings were lowest. The reduced supply of pork was also to some extent compensated by imports of pork from the United States and Argentina.

As Swedish farmers considered the prices of pork too low to cover costs of production in 1942, fewer sows were bred, i.e. only 167,000 compared with 192,000 in 1941 and 283,000 in 1939. The price of pork for the

consumption year September 1942 to August 1943 was fixed at 206 crowns per kilogram (22.2 cents per pound). On March 19, 1943, the Swedish Government announced the adoption of a new plan to govern the fixing of the principal agricultural prices for the consumption year 1943-44. These prices were stated to be subject to adjustment when crop production estimates became available. In accordance with the new regulations, the prices of animal products now in effect are to remain unchanged except that it is the intention of the Government to raise pork prices by 0.15 crowns per kilogram (1.6 cents per pound) provided the feed crop does not turn out to be exceptionally poor. The increase in the number of sows bred toward the end of 1942 was attributed to a temporary rise in the price of sucklings guaranteed by the Government for the period April-August 1943.

TRENDS IN PRODUCTION AND CONSUMPTION OF FLUID MILK IN CANADA AND THE UNITED STATES . . .

Because of the wartime need for dairy products, earnest efforts to increase milk production are being made in both Canada and the United States. In 1942 total milk production in Canada was about 17.5 billion pounds, an increase of 8.5 percent over production in 1939. Milk production for human consumption in the United States was in excess of 119 billion pounds in 1942, an increase of 15 percent over the average for 1935-1939.

MILK: Production in Canada and the United States,
1942 with comparisons b/

	Canada a/			United States b/
Year	Total milk production:	Percentage of 1939	Year	Production: for Human consumption: of 1935-1939
	Million pounds	Percent	Average	Million pounds
1939	16,146	100.0	1935-1939: 1940	103,656 : 109,341
1940	16,283	100.8	1940	: 105.5
1941	16,753	103.8	1941	115,200 : 111.1
1942	17,500	108.4	1942	119,200 : 115.0

a/ Official Hand-Book of Present Conditions and Recent Progress - Canada 1943. b/ The Dairy Situation - February 1943.

Consumers in Canada used about 13 percent more fluid milk in 1942 than in 1939, whereas consumers in the United States used about 11.5 percent more than in the period from 1935 to 1939. Among the reasons for this sharp increase in fluid milk consumption are, (1) greatly increased purchasing power under controlled milk prices, and (2) wartime emphasis on the nutritive quality of the diet, in which milk as a "protective food" is of considerable importance.

FLUID MILK: Consumption in Canada and the United States,
1942 with comparisons

Year	Canada a/			United States b/		
	Fluid milk sales	Percentage of 1939	Year	Fluid milk sales	of 1935-1939	Percentage average
	Million pounds	Percent	Average	Million pounds	Percent	
1939	3,012	100.0	1935-1939:	44,147	100.0	
1940	3,018	100.2	1940	45,591	103.3	
1941	3,119	103.6	1941	46,900	106.2	
1942	3,400	112.9	1942	49,200	111.4	

a/ Official Hand-Book of Present Conditions and Recent Progress - Canada 1943. b/ The Dairy Situation - February 1943.

Milk production in Canada for April 1943 was reported as just slightly above April 1942, while reports for the United States indicate that milk production in May 1943 was 2 percent less than in May 1942. If present trends continue, milk production in 1943 will not equal production in 1942 and, under adverse weather conditions, may show a real decline.

Available reports indicate that the trend of fluid-milk consumption in both Canada and the United States continues upward. Under these circumstances it is quite possible that the supply of milk available as raw material for manufactured dairy products in the two countries will be less in 1943 than in 1942.

MILK: Production in Canada and the United States,
January-May 1943 compared with 1942

Months	Percentage change from 1942:		
	Canada a/ United States b/		
	Percent	Percent	Percent
January	+ 1.7	No change	
February	"Just slightly above"	+ 1	
March	+ 2.3	+ 1	
April	"Just slightly above"	- 1	
May	-	- 2	

a/ February-May issues of the Monthly Dairy Review of Canada.

b/ January-May issues of Crop Production.

ANOTHER RELATIVELY LARGE WOOL CLIP
EXPECTED IN URUGUAY . . .

Uruguay will have another relatively large wool clip in 1943-44 according to early indications. Sheep did not suffer from the drought of 1942-43 so much as cattle, and losses were reported small. Internal

parasites were less prevalent than usual due to the dry pasturage. There may be losses this winter (June - August) if the weather is dry, however, as there are practically no reserves of grass, and the new grass that has sprung up since the drought is very susceptible to frosts.

Reliable private estimates place the number of sheep at the present time (beginning of winter) at between 20 and 22 million head, or about the same number as in 1930. Numbers declined after 1930 due to a break in wool prices, but flocks have been built up again, especially since the war began, and prices for both wool and mutton and lamb have increased materially. The present number is approximately 17 percent above the official estimate of 17,931,000 reported in 1937.

The slaughter of sheep for food has increased in recent months on account of the scarcity of fat cattle. In the first 4 months of 1943 the slaughter of sheep and lambs by the three freezing companies of Montevideo increased 32 percent. It is expected that there will be an increase of about 32.4 percent in the slaughter of sheep in 1943 above the average for the years 1938-1942 but a decrease in the slaughter of lambs, since ranchers are trying to maintain flocks.

Estimates of the current clip have been revised upward, and the latest estimate, based on receipts and stocks, places it at approximately 130 million pounds compared with only 117 million pounds in 1941-42, an increase of 11 percent. Production was largest in 1929-30 and 1930-31, when it reached 151 and 153 million pounds, respectively. Production averaged 117 million pounds in the 5 pre-war years. Final estimates will not be available for some months.

Stocks of wool on hand as of June 1, 1943, were reported at approximately 115 million pounds, or a large percentage of the total wool clip. Only a small portion consisted of wool carried over from the preceding season. Carry-over stocks were large at the end of last season but have practically all been liquidated by sale to the United States in accordance with an agreement between the Uruguayan and United States Governments, made in November 1942.

The majority of the large carry-over is being stored in Montevideo, as it is either already sold to continental European countries to which it cannot be delivered or is of qualities or classifications not desired by the United States. Approximately 30 million pounds out of the 115 million was available for purchase by the United States.

Consumption of wool by local Uruguayan factories has been slowly increasing due to export demand for manufactures, principally from other Latin American countries. Consumption is now estimated at the rate of 10 million pounds annually, or about double the pre-war rate.

G E N E R A L A N D , M I S C E L L A N E O U S

WEATHER CONDITIONS ABROAD - 1943 1/ . . .

The following summarizes the latest reports on weather conditions in specified countries for periods indicated.

United Kingdom and Ireland: At the close of the first week of July the weather was favorable, crops were progressing satisfactorily, and harvesting was starting in some sections.

Denmark and Sweden: After a dry April and May, rain fell in Denmark during the first part of June, and at that time the harvest was reported as promising. Much depends, however, on sufficient rainfall during the next few weeks. At mid-June it was reported that more rain was needed in central and southern Sweden. Only 50 percent of the normal precipitation fell in May. Temperatures continued above normal, and in many southern districts the grass was reported as scorched.

Germany, France, and Switzerland: Prospects of a good harvest in Germany and neighboring occupied countries were not quite so optimistic by the early part of July as they had been earlier in the season. Reductions in earlier estimates are being attributed not so much to unfavorable weather as to labor difficulties, shortage of petrol for machinery, and lack of fertilizers. The fruit crop is expected to be about average. Dry weather in southern France caused the sugar-beet acreage to be reduced, but otherwise the weather was favorable and gave promise of a good harvest. In Switzerland, field crops, which were beginning to show the lack of moisture, were relieved by fairly good rains during the first part of June. Prospects for fruit were not quite so good as a month ago. The cherry crop was a little below that of last year, apple prospects were good, and pears, plums, and walnuts were reported as average.

The Balkans and Turkey: Rains during the first half of June improved the prospects for wheat and benefitted corn and oilseeds, but by the first week in July crop growth in certain areas, was still backward and a harvest somewhat later than usual was reported. At mid-June rainfall was below average in the greater part of Hungary, and harvesting started a few weeks late. Rain fell early in July and there was promise of a good fruit crop. In early July, grain crops in Rumania were aided by favorable weather and much rain, and crop prospects were good. Vineyards and fruit were reported to be in satisfactory condition. Bulgaria as a whole experienced an unusually favorable spring. Heavy and continuous rainfall during the third week of June caused extensive floods in northern Bulgaria. Harvesting in southern Turkey was well advanced by the first week of July, and increased yields were expected.

1/ The available information on weather conditions in foreign countries is now on file in room 4509, Office of Foreign Agricultural Relations.

Italy, Spain, and Portugal: In Italy, June was warm, although the nights were still relatively cool. Rain fell in scattered parts of the country. Italian grain was ripening under favorable conditions and in southern Italy harvesting was progressing well. Continued dry weather had caused severe losses to crops in Spain, and by July the outlook for wheat was less promising. The drought in Portugal was broken by torrential rains during the first week in July, which caused some additional crop losses.

Soviet Union: Crops were improved by the abundant rains that fell from the last of May until the first week in July. There were intermittent rains in the area north of Astrakan to Kiubyshev and from there northwest to Moscow. During June timely rains in the immediate area around Vladivostok restored the subsoil moisture, which had been deficient in the spring, and the growing grain from Khabarovsk westward through Chita, Irkutsk, Omsk, Scedlovsk, and Perm to Moscow was reported to be in good condition. Reports from the German-occupied area are very sparse.

South America: The weather in Argentina in June was generally favorable but abundant rains during the last half of the month delayed sowing in some sections. Heavy precipitation in the northeast enabled that area to shake off the drought, which had persisted since last summer. At the same time abundant rains benefitted the western Pampa. Temperatures were above normal in early July and colder weather would have helped the crops. Satisfactory weather in the central part of Brazil indicated that cereal crops would be good. In Uruguay, no heavy frosts had been reported up to the third week of June, the weather was favorable, and the condition of natural pastures throughout the country continued to improve.

Canada and Mexico: Warmer weather the latter part of June stimulated growth in all parts of Canada. The season, however, was still backward from 10 days to 2 weeks, and more sunshine and heat were needed in nearly all parts of the country, especially in the Prairie Provinces. There was sufficient moisture in most sections of the Provinces with the exception of southern Alberta and small parts of Saskatchewan. In those areas, subsoil reserves had been depleted and generous rains were needed. In Manitoba, where spring rains were above normal, the moisture situation was satisfactory. The dry weather in evidence in northern Mexico throughout the spring continued into June, causing losses to crops and livestock.

Australia: Dry weather was reported in many sections during the last week of June and moisture was needed for germination, both for the early sown grain and for the completion of late seeding.

Union of South Africa: In May and early June, rainfall was heavy throughout the Union except in a few districts of the Cape Province. Wheat farmers were busy plowing.

FOREIGN EXCHANGE . . .

EXCHANGE RATES: Average value in New York of Chinese, Japanese, and some European currencies during last full months for which rates were available, and current official rates

Country	Unit	New York rates a/	Current official rates	
			Month	Cents
Belgium.....	Belga.....	April 1940.....	16.89	b/ 16.00
Denmark.....	Krone.....	March 1940.....	19.31	20.88
France.....	Franc.....	May 1940.....	1.85	c/ 2.00
Germany.....	Reichsmark.....	May 1941.....d/	39.97	40.00
Greece.....	Drachma.....	September 1940:d/	0.66	b/ 0.67
Italy.....	Lira.....	May 1941.....d/	5.09	5.26
Netherlands..	Guilder.....	April 1940.....	53.08	53.08
Norway.....	Krone.....	March 1940.....	22.71	22.86
Portugal.....	Escudo.....	May 1941.....	4.00	e/ 6.67
Spain.....	Peseta.....	May 1941.....d/	9.13	9.13
Sweden.....	Krona.....	May 1941.....	23.84	23.81
Switzerland..	Franc.....	May 1941.....	23.20	23.20
China.....	Yuan(Shanghai)	June 1941.....d/	5.34	f/ 5.31
Japan.....	Yen.....	June 1941.....	23.44	23.44

a/ Noon buying rates for cable transfers as reported by Federal Reserve Board. Last daily rate reported on April 8, 1940, for the Danish and Norwegian kroner; on May 9, 1940, for the belga and guilder; on June 15, 1940, for the French franc; on October 26, 1940, for the drachma; on June 14, 1941, for the other above-mentioned European currencies; and on July 25, 1941, for the yen and yuan (Shanghai).

b/ Based on German official rate for United States dollar.

c/ Based on German official rate for United States dollar in occupied area; in unoccupied area, official rate is 2.28 cents.

d/ Quotations nominal.

e/ Rate for currency; for checks, 4.09 cents to the escudo.

f/ Rate set August 18, 1941, by Chinese Stabilization Board.

**EXCHANGE RATES: Average value in New York of specified currencies,
week ended July 10, 1943, with comparisons a/**

Country			Month				Week ended			
			Monetary	Year	1941	1942	1943		1943	
			unit	1942	June	June	May	June	June	July
									26	3
					Cents	Cents	Cents	Cents	Cents	Cents
Argentina b/	Paper peso		29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77
Australia c/	Pound	....	321.50	321.25	321.50	322.80	322.80	322.80	322.80	322.80
Brazil d/	Cruzeiro	..	5.14	5.06	5.14	5.13	5.13	5.13	5.13	5.13
British India	Rupee	....	30.12	30.13	30.12	30.12	30.12	30.12	30.12	30.12
Canada e/	Dollar	....	88.38	88.18	89.96	90.14	90.10	90.16	90.25	90.47
Mexico	Peso	....	20.57	20.53	20.57	20.58	20.58	20.58	20.58	20.58
New Zealand	Pound	....	322.78	322.51	322.78	324.42	324.42	324.42	324.42	324.42
South Africa	Pound	....	398.00	398.00	398.00	398.00	398.00	398.00	398.00	398.00
United Kingdom*	Pound	....	403.50	403.16	403.50	403.50	403.50	403.50	403.50	403.50
Uruguay g/	Peso	....	52.72	42.71	52.74	52.71	52.83	52.88	52.88	52.88

Federal Reserve Board.

a/ Noon buying rates for cable transfers.

b/ Official, regular exports. The special export rate of 23.70 cents, reported beginning March 27, 1941, applies to exchange derived from certain minor exports (e.g. dairy products) to certain countries (e.g. United States), such exchange formerly having been sold in the free market. Quotations nominal.

c/ Free prior to February 2, 1943. Quotation of free rate discontinued after February 1, 1943, when regulations were issued by the British Treasury transforming all free sterling balances into registered sterling, convertible into dollars at the official rate.

d/ Free. Under law of October 6, 1942, the cruzeiro became the unit of currency, replacing the milreis. The cruzeiro has the same value as the milreis. Since April 10, 1939, 30 percent of the exchange derived from exports must be turned over at the official buying rate of 6.06 cents, the weighted average value of the milreis being 5.42 cents in 1942, the value of the cruzeiro 5.41 cents in June 1943, and 5.41 cents in the week ended July 17, 1943. Quotations nominal.

e/ Free. Most transactions between Canada and the United States take place at the official buying and selling rates.

f/ Quotations nominal.

g/ Noncontrolled. Quotations nominal.

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